

To promote the economic, social and environmental viability of Northern California by enhancing and preserving the water rights, supplies and water quality of our members.

December 10, 2010

Mr. Manucher Alemi Chief, Water Use and Efficiency Branch Division of Statewide Integrated Water Management Department of Water Resources 901 P Street Sacramento, CA 95814

RE: A "Range of Options" for Appropriate Measurement

Dear Manucher:

As work continues on the development of regulations for the agricultural water measurement requirements contained in SB X7 7, the Department of Water Resources (DWR) has an opportunity to craft an agricultural water measurement program that provides the appropriate tools for water resources managers to improve their water management decisions and encourages considerable participation from agricultural water management entities throughout the state. Most importantly, the enabling legislation specifically provided DWR with direction to develop a "range of options" that will facilitate maximum participation in the program, while recognizing wide diversity among California's agricultural water suppliers with respect to their water management programs and water delivery practices. We urge DWR to avail itself of this opportunity to craft a range of options that will reflect the state's geographic diversity and thus promote efficient water management throughout California by providing meaningful and effective tools for water resources managers.

Defining a range of measurement options too narrowly will lead to diminished participation in this important program and threatens its success in promoting efficient water management. In our view, simply allowing water resources managers to choose among different devices that can be used to measure at the farm-gate is insulting to their capabilities and defeats the opportunities to improve efficient water management in California. As we and others have mentioned repeatedly at meetings, limiting the range of options to farm-gate measurement forecloses on more effective, practical and affordable options that will provide the necessary tools for ultimately changing operations with an eye towards efficient water management and regional sustainability. For example, forcing farm delivery measurement for rice lands will not ensure accurate measurement of the water delivered and, in systems where tailwater is recovered and delivered to customers, will result in inaccurate reporting of the "total volume of water an agricultural water supplier provides to its customers," as required by the legislation.

Furthermore, farm-gate measurement, even if coupled with water pricing, will not promote net conservation in the systems mentioned above because district-level efficiencies are already very high by virtue of tailwater reuse.

We fully comprehend the difficulty in crafting state-wide water measurement regulations. Fortunately, the legislation recognized this challenge and thus provided DWR the latitude to develop a "range of options." NCWA and the Sacramento Valley's water resources managers are committed to advance the economic, social and environmental sustainability of the Sacramento Valley by enhancing and preserving its water rights, supplies and water quality for the rich mosaic of farmlands, cities and rural communities, refuges and managed wetlands, and meandering rivers that support fisheries and wildlife. Put simply, we believe there is a better way to promote efficient water management in the Sacramento Valley (and potentially other places) that should be guided by the following:

• The goal is water conservation—not metering.

To date, water conservation and efficiency has been noted as the intent of SB X7 7, but, other than that reference, it has not entered into the dialogue surrounding the development of the agricultural water measurement regulations. NCWA represents entities with sophisticated water resources managers who are continually undertaking efforts to improve their ability to manage the resource. We would welcome the inclusion of water conservation and efficiency potential as the stated goal in the decision making process. This not only would improve the value of the agricultural stakeholder committee process in complying with the intent of the legislation, it also would help to justify the regulations that are developed. Unfortunately, some involved in this process have lost sight of this goal and assume that volumetric pricing alone will "conserve" water, when, instead, we should be having a valuable discussion on what types of water measurement will help inform water management decisions.

• The "range of options" should center on a Best Management Practices approach.

A BMP-based approach would establish the criteria that would need to be met to comply with the legislation, allowing water suppliers to craft water measurement programs that are consistent with local water management objectives and function within their unique systems. The diversity of agricultural water management systems in California does not allow for a "one-size-fits-all" approach to water measurement. The BMP approach, consistent with the legislation, would require agricultural water suppliers to adopt measurement methods and/or install the appropriate devices to: 1) accurately measure the total volume of water delivered to their customers; 2) adopt a pricing structure based at least in part on quantity delivered to their customers; and, 3) provide information to empower water managers to manage the resource in a manner that promotes regional self-reliance and sustainability as described in the State policy in Water Code Sec. 85021. The burden would be on the water suppliers to demonstrate that they are meeting these requirements in the legislation, while allowing measurement programs to be developed that efficiently and accurately measure water delivered in varied and unique water supply systems throughout the state.

As discussed above, a range of options that is otherwise limited to types of devices that can be installed at the farm-gate will not lead to improved water efficiency and will limit the number of agricultural water suppliers that will be able to participate in the program. To be clear, nothing

in the legislation directs or requires farm-gate level measurement. All measurement descriptions are at an aggregate scale and nowhere in the legislation are agricultural water suppliers required to adopt a pricing structure based upon deliveries to individual customers.

• A phased approach.

For many entities, these new regulations have the potential to require substantial investments in infrastructure and labor that will require multiple fiscal years to finance. A phased approach will provide agricultural water suppliers, many of whom are public agencies, with the time needed to make the budget and rate decisions (which are subject to Prop. 218 landowner approval), as well as technical evaluations, necessary to comply with the new requirements.

NCWA and Sacramento Valley water resources managers appreciate the opportunity to comment on the process underway. It is our hope that in the end, new agricultural water management regulations can be crafted in a way that complies with the legislation, provides value to DWR and establishes a program that will empower water resources managers.

Sincerely,

Todd N. Manley

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Director of Government Relations

cc: Director Mark Cowin Stein Buer

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